



# NEWS RELEASE

## NELSON P. COHEN UNITED STATES ATTORNEY DISTRICT OF ALASKA

---

Federal Building & U.S. Courthouse • 222 W. 7th Avenue • Room 253 • Anchorage, AK 99513-7567 • (907) 271-5071

---

**FOR IMMEDIATE RELEASE**  
**Friday, June 13, 2008**

**08-76**

### **FORMER REAL ESTATE AGENT SENTENCED IN CASH BACK SCHEME**

Anchorage, Alaska – United States Attorney Nelson P. Cohen announced today that Michael John Sorensen, Jr., of Anchorage, Alaska, was sentenced on his conviction for one count of wire fraud in federal court in Anchorage, to a three-year term of probation, with a special condition that he complete a 30-day period of incarceration at a community corrections facility, and a fine of \$60,000.

United States District Court Judge Timothy M. Burgess sentenced Sorensen, age 40, of 18728 Snowy Plover Circle in Anchorage, who pleaded guilty in March, 2008.

According to the prosecutor, Assistant United States Attorney Retta Randall, Sorensen was a real estate agent licensed by the State of Alaska and an associate broker with ReMax Properties, Inc. Sorensen also owned a remodeling and construction company called Right Way Construction. Using Right Way Construction, Sorensen devised a scheme to obtain money by means of material false representations. The purpose of his scheme was to financially assist buyers and defraud various mortgage lenders by submitting false invoices from Right Way Construction to title companies, who then prepared false settlement statements which reflected payments for repairs and remodeling work which were never done to the properties. The false settlement statements were relied upon by the mortgage companies when they wired funds for the mortgage loans from outside the State of Alaska to title companies in Alaska who conducted the closing on each transaction. The amounts paid by the title companies to Right Way Construction pursuant to the false invoices were then given to the buyers by Sorensen after closing as a “cash-back scheme” without the knowledge of the mortgage lenders.

In sentencing Sorensen, Judge Burgess also imposed a special condition of probation requiring Sorensen to notify any future employers or clients of his conviction if he is in a position to directly or indirectly provide advice in real estate transactions. Sorensen had earlier surrendered his real estate license as a result of his conduct in this case.

The Federal Bureau of Investigation conducted the investigation that led to Sorensen’s conviction.

###